

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:7790
ANSWERED ON:17.05.2002
TRADE BETWEEN INDIA AND PAKISTAN
GUNIPATI RAMAIAH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether trade between India and Pakistan has adversely affected because of the suspension of train services between the two countries ;
- (b) if so, the facts in this regard; and
- (c) the steps being taken by the Government to ensure that trade between the two countries is not affected ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b) In the wake of December 13 attack on Parliament, Government of India announced its decision, among others, to terminate the services of Samjhauta Express and the bus service between Delhi and Lahore w.e.f. 1st April, 2002. Although, Government's decision did not affect the movement of freight trains, Pakistan has been refusing to accept the interchange of freight trains between India and Pakistan from 1st January, 2002. Though it is too early to assess the effect, the suspension of freight trains between India and Pakistan is likely to impact the flow of bilateral trade.

(c) Government of India has continued to accord MFN status to Pakistan. Further, trade facilitation measures are being discussed in the fourth round of SAPTA negotiations. India and Pakistan participated in the trade fairs to project their export potential to the trading community in the two countries. Recently, India participated in the Third SAARC Trade Fair organised at Karachi on Sept. 1-6, 2001.